

MEMORANDUM FOR: Deputy Director of Personnel
THROUGH : Associate General Counsel, OL
Director of Logistics
SUBJECT : Use of Federal Real Property by Non-Federal Activities
REFERENCE : Ltr to CIA dtd 3 Nov 75 fm Acting Assoc. Administrator,
Office of Federal Management Policy, GSA; Same Subject

1. By the referent, the addressee was provided, for comment, a copy of a proposed General Services Administration (GSA) Federal Management Circular establishing policies for the assignment of Federal real property to non-Federal activities. Upon receipt, the addressee forwarded the Circular to the Office of General Counsel which in turn forwarded it to the Office of Logistics for comment. This memorandum provides our comments on the Circular and, in paragraph 5, makes specific recommendations for inclusion in the Deputy Director of Personnel's response to GSA.

2. The Circular, included as attachment 1, provides guidelines for the assignment of space for non-Federal activities, specifies recordkeeping and reporting requirements, and most importantly, establishes procedures for charges for the use of such space. Our review of the Circular would indicate that current Agency practice for the assignment of space to non-Federal activities, at least to the extent we are aware of such assignments, is consistent with the provisions of the Circular. Also, the recordkeeping and reporting requirements of the Circular, while significant, could be accomplished by this Division if the Circular is, in fact, promulgated. The Circular does, however, present one major problem, and that is the requirement that the Agency require non-Federal activities to pay for the space they occupy in the amount of the Standard Level User Charge (SLUC) now paid by the Agency to GSA or in the amount of the estimated fair rental value of the property as determined by appraisal.

3. In order to assess the possible impact of these charges on our non-Federal activities, we have included as attachment 2 a table showing our current SLUC charges for a number of non-Federal activities which could be affected by the Circular. As will be explained in greater detail below, all of the activities shown in the table may not be affected depending on one's interpretation of the definition

of a non-Federal activity. Also, certain activities such as credit unions and blind vending facilities which are clearly exempted by the Circular are not shown in the table. Finally, the table does not show activities conducted at locations which are under "cover" since an individual determination would have to be made in each case depending on the policies adopted by the "cover" organization. Regarding the items shown in the table the following points should be made:

a. Cafeteria Services: These services are provided by Government Services, Inc. (GSI) under contract to GSA. According to Mr. R.D. Marcus, Chief of the Concessions Division, GSA, the contract provides that GSI pays GSA 1 1/2 percent of gross operating revenue for equipment replacement but no other fees. If the provisions of the proposed Circular were placed into effect, then GSI would have to pay the equivalent of our current annual SLUC charges for the Headquarters and Ames cafeterias which amount to \$634,720 and \$73,657 respectively. GSA has not as yet billed for the [REDACTED] cafeteria under SLUC. GSI in turn would recoup its cost through higher food prices. Mr. Marcus stated that these higher food prices would in turn be the "kiss of death" for about 50 percent of the Government cafeterias in the metropolitan area, and, for that reason, he has gone on record against the proposed Circular.

b. Barber Shop: This is clearly an activity covered by the Circular and the rental charges would undoubtedly be recovered through higher prices at an estimated annual cost of \$5,500.

c. Gym: According to Chief, Benefits and Services Division, (C/BSD), Office of Personnel, the individual running the gym is a Government employee. If so, this activity would not be required to pay for space occupied because the Circular defines a non-Federal activity as, "Any individual, group, organization or association that is organized, operated or controlled by a private individual(s) or an individual(s) acting outside his official capacity as an officer, employee or agent of the Federal Government." This interpretation was confirmed by Mr. Charles Clark of the Office of Federal Management Policy who is the chairman of the interagency group which drafted the Circular. According to Mr. Clark, the determining factor is who pays the salaries of the individuals involved - the Government or a commercial or nonappropriated fund activity.

d. Employee Activity Association (EAA): We understand from C/BSD that this is a mixed activity with the head of the store being paid directly from nonappropriated funds while certain of the Ticket Service personnel are paid Government salaries. Because of this mix, the rental cost would probably have to be prorated in some

fashion. Obviously, greater study and probable consultation with GSA would be required.

e. Insurance Branch: According to C/BSD all personnel receive Government salaries. However, the Health Association, which is a nonprofit association of Agency employees, reimburses the Government for some of these salaries. Again, greater study would be required to determine whether or not this activity would be required to pay rental on a full or prorated basis.

f. Snack Bars: We understand that, although our snack bars are operated by a commercial firm, the Northern Virginia Society for the Blind gets 50 percent of the profits on select items carried in the machines. As indicated earlier, blind vending facilities are exempted. Therefore, we asked Mr. Clark if this would indirectly exempt our snack bars as well. His reaction was that the commercial vending machine operator should still be charged a share of the rent, although he frankly did not have any idea on what basis the rent would be prorated.

4. In addition to the above, such activities as the Educational Aid Fund and the Public Service Aid Society could be affected depending on the interpretation of what is and is not a non-Federal activity. According to Mr. Clark, the interagency task group realized that greater definition would be required. Their intent was simply to provide policy guidance leaving the preparation of detailed definition and implementing procedures to affected agencies.

5. As indicated in paragraph 4 above, the implementation of this Circular, and particularly its provisions for the charging of rent, could have considerable adverse impact on many of the benefits and services enjoyed by our employees. For that reason we suggest that:

a. You solicit the comments of the OGC, particularly regarding a legal interpretation of non-Federal activities.

b. Go on record with GSA against the proposed Circular citing the adverse personnel impact which would result.

6. Should the Circular be promulgated by GSA, we are available to work with your officers in developing Agency implementing procedures. Recordkeeping and reporting systems would also have to be developed and implemented by this Division.

STATINTL

Chief

Real Estate and Construction Division, OL

Att

cc: D/L, w/att AGC/OL, w/att
OGC, w/att C/LSD, w/att

GENERAL SERVICES ADMINISTRATION

(34 CFR Part 237)

USE OF FEDERAL REAL PROPERTY BY
NON-FEDERAL ACTIVITIES

PROPOSED ASSIGNMENTS

This notice offers interested parties an opportunity to comment on a proposed regulation developed to provide better management of federally-controlled real property. The regulation proposes (1) to bring about greater consistency within individual agencies and among different agencies relative to the assignment of federally controlled real property to non-federal activities and (2) to provide policy guidelines for assessing fair charges for real property and related services furnished by the Government to non-Federal activities.

The proposed regulation is the product of an interagency task group. Its purpose is to establish executive branch policy pertaining to the assignment of federally controlled real property and the providing of related services to non-Federal activities.

Interested persons should submit their comments in triplicate to the General Services Administration (AMP), Washington, DC 20405. All relevant material should be received by December 15, 1975.

Dated: November ____, 1975

JOHN J. LORDAN
Acting Associate Administrator

This Federal Management Circular requires all Federal agencies to adopt standard administrative requirements for assigning federally controlled real property to non-Federal activities. Authority for issuance of the circular is provided under provisions of Executive Order 11717.

As proposed 34 CFR Part 237 will read as follows:

PART 237 - USE OF FEDERAL REAL PROPERTY BY NON-FEDERAL ACTIVITIES

Sec.

- 237.1 Purpose.
- 237.2 Effective date.
- 237.3 Background.
- 237.4 Policy intent.
- 237.5 Applicability and scope.
- 237.6 Definitions.
- 237.7 Policies and procedures.
- 237.8 Annual report.
- 237.9 Responsibilities.
- 237.10 Appendices.
- 237.11 Inquiries.

AUTHORITY: Executive Order 11717.

237.1 Purpose.

This part establishes executive branch policy pertaining to the assignment of federally controlled real property and the providing of related services to non-Federal activities.

237.2 Effective date.

This part is effective January 1, 1976. Contracts existing as of the effective date which provide for the assignment of federally controlled real property or the providing of related services to non-Federal activities shall be amended to the extent feasible to comply with the policies contained herein. Contracts entered into after the effective date shall incorporate the policies contained in the part.

237.3 Background.

Many non-Federal activities currently occupy federally-controlled real property. The real property (generally building space) is occupied under a variety of terms and conditions. This part recognizes the need for achieving

greater consistency within the executive branch regarding policy and practices for assigning federally-controlled real property to non-Federal activities. The part is issued pursuant to Executive Order 11717 of May 9, 1973, which transferred certain functions from the Office of Management and Budget to the General Services Administration and pursuant to the Office of Management and Budget, Office of Federal Procurement Policy delegation letter of June 24, 1975, 40 F.R. 29935, July 16, 1975.

237.4 Policy intent.

The intent of the part is to bring about greater consistency within individual agencies and among different agencies relative to the assignment of federally-controlled real property to non-Federal activities. The part is also intended to provide policy guidelines for assessing fair charges for real property and related services furnished by the Government to non-Federal activities.

237.5 Applicability and scope.

The provisions of the part apply to all executive departments and independent establishments in the executive branch. They do not apply to: (a) the Government of the District of Columbia; (b) non-appropriated fund instrumentalities of the Armed Forces; (c) the Veterans' Canteen Service, Veterans' Administration; or (d) other non-appropriated fund activities for which there is specific statutory authority for the matters covered by this part. Except as indicated herein, the term "agency" is synonymous with the terms "department and establishment" as defined by Federal Management Circular 73-1, dated August 30, 1973. (34 CFR Part 200)

237.6 Definitions.

a. Non-Federal activity. Any individual, group, organization or association that is organized, operated or controlled by a private individual(s) or an individual(s) acting outside his official capacity as an officer, employee or agent of the Federal Government.

b. Assignment of real property. The granting to a non-Federal activity of the right to use real property and related services controlled by a Federal agency. This does not include the interim outleasing of excess real property

being held by an agency pending transfer or disposition pursuant to Federal Management Circular 73-5, Utilization, disposition and acquisition of Federal real property. (34 CFR Part 231.)

c. Federally-controlled real property. Land or buildings, including space within buildings and related services owned, leased or provided by the Government. Related services include but are not limited to heat, light, air conditioning, janitorial, telephone and security services.

237.7 Policies and procedures.

a. Assignment of federally controlled real property to non-Federal activities. Heads of agencies may assign real property under their control to non-Federal activities if the assignments contribute to the accomplishment of the agencies' missions and are consistent with the public interest. Assignments authorized by law shall be made pursuant to the applicable statutes. Where real property is assigned to non-Federal activities in the absence of particular statutory authority, the head of the agency making the assignment shall prepare a written statement setting forth all factors pertaining to the assignment. Such written determination shall be retained for appropriate review in agency files and shall include the basis for making the assignment and the terms and conditions governing the use of the property. Policies applicable to specific categories of non-Federal activities are provided in appendices A through C of this part.

b. Charges for use of federally controlled real property. Consistent with the policies contained in Office of Management and Budget Circular A-25, non-Federal activities assigned federally controlled real property shall to the maximum extent feasible be charged for such use of real property. Charges for real property controlled by the General Services Administration (GSA) shall be based on the standard level users charges developed by GSA pursuant to P.L. 92-313, Public Buildings Amendments of 1972 (See Federal Property Management Regulations Subpart 101-21.2). Charges for real property for which standard level user charges have not been established and for real property controlled by agencies other than GSA shall be based on the

estimated fair rental value of the assigned property as determined by standard real property appraisal practices. Agencies not having "in-house" capability for determining fair rental values may request GSA assistance by telephoning 202-343-7528.

c. Agency records. Agencies shall maintain current records on all real property that they have assigned to non-Federal activities. The records shall as a minimum, include the written statements and determinations required by paragraph a. above. The records shall also reflect the total annual rental income produced on an agency-wide basis by assignments to non-Federal activities. 7200

d. Deposit of revenue. Unless otherwise provided by law, revenues collected from non-Federal activities for the use of federally controlled real property shall be deposited in miscellaneous receipts in the Treasury.

237.8 Annual report.

Each agency that assigns real property to non-Federal activities shall submit an annual report, original and one copy, as of the end of each fiscal year. The reports shall be submitted to the General Services Administration (AMP), Washington, D.C. 20405. The first report shall be for the period beginning January 1, 1976, and ending September 30, 1976, and shall be submitted by January 1, 1977. Succeeding years reports shall be submitted within 90 days after the end of each fiscal year. Interagency Reports Control Number _____ GSA-AM has been assigned to this report. Agency annual reports shall indicate the total amount and type of real property assigned on an agency-wide basis to activities providing services to employees (see Appendix A) and to other organizations (see Appendix B) and the total income derived therefrom. The total amount of real property assigned to activities covered in Appendices A and B and the total annual income received from each shall be provided separately for each appendix and itemized to show: 7200

- (1) Square feet of office space _____
and annual income _____;
- (2) Square feet of storage space _____
and annual income _____;
- (3) Square feet of special space _____
and annual income _____;

(4) Square feet of land _____
and annual income _____.

(Definitions of office, storage and special space are provided in Subsection 101-17.003.2a of the Federal Property Management Regulations.)

Copies of all annual reports will be given to the Office of Management and Budget after review by GSA.

237.9 Responsibilities.

Heads of agencies are responsible for promulgating such regulations, controls, and review actions as are necessary to comply fully with the provisions of this part and the appendices.

237.10 Appendices.

Policies governing the assignment of real property to specific types of non-Federal activities and the assessment of charges for the use of such property are set forth in the following appendices:

Appendix A - Activities Providing Services to Employees.

Appendix B - Other Organizations.

Appendix C - Temporary Use.

237.11 Inquiries.

Further information concerning this part may be obtained by contacting:

General Services Administration (AMP)
Washington, DC 20405
Telephone: IDS 183-7528
FTS 202-343-7528

APPENDIX A

ACTIVITIES PROVIDING SERVICES TO EMPLOYEES

1. Policy intent. The intent of this appendix is to provide specific policies to be followed by Federal agencies in assigning real property to non-Federal activities that provide services to Federal employees.
2. Definition. The activities covered by this appendix include those performed or directed by any individual, association, or organization that require the use of Federal real property and have as their primary purpose the rendering of goods or services to Federal employees.

3. Policies and procedures.

a. Employee welfare and recreation associations. Federal agencies, as a rule, do not establish or administer welfare and recreational programs for their employees. However, they often lend encouragement to the voluntary efforts of employees who form associations for recreational and welfare purposes. This encouragement frequently takes the form of assigning Federal real property to the associations either on a temporary or long-term basis. Determinations regarding assignments to employee associations shall be made on a case-by-case basis by agency heads. Real property controlled by GSA will be assigned to the using agency. It is then up to the using agency to determine whether to assign any portion of the space to an employees' association. Determinations involving real property not controlled by GSA will be made by the head of the agency controlling the property. In making determinations regarding the use of real property by employee associations, heads of agencies shall consider: (1) the availability of the real property and the need to minimize non-essential assignments; (2) the purpose for which the employees association will use the property; and (3) the consistency of the association's mission with the mission of the agency and the association's overall contribution to the welfare and morale of the agency's work force.

(1) Charges. Charges for the use of real property assigned to employee associations shall be assessed in accordance with Section 237.7b of this part. However, such charges may be waived where an association's use of

real property does not interfere with the Government's use and does not result in the Government incurring additional expenses.

(2) Agency overview responsibilities. While welfare and recreation associations are independent entities and are not subject to supervision by agency management, agencies are responsible for assuring that those activities utilizing Federal real property comply with non-discrimination, conflict of interest, equal employment opportunity and other appropriate standards and criteria prescribed by the Civil Service Commission or other agencies.

✓ b. Credit unions. The Federal Credit Union Act (12 U.S.C. 1770) provides that duly organized and constituted credit unions may occupy federally controlled space if such space is available in the community or district where the credit union does business. The act states that an agency may in "its discretion allot space to such credit union if space is available, without charge for rent or services."

✓ c. Blind vending facilities. The Randolph-Sheppard Act, as amended, 20 U.S.C. 107 et. seq., provides that, whenever feasible, one or more vending facilities are to be established on Federal real property to the extent that such facilities will not adversely affect the interests of the United States. Under the provisions of the Randolph-Sheppard Act, blind vending facilities are to be given priority with respect to the use of Federal real property over all other vendors. Vending facilities are defined in the Act to include automatic vending machines, cafeterias, snack bars, cart service, shelters and counters. Blind vendors shall not be charged for Government space. Charges may be assessed, however, for utilities and other services provided by the assigning agency.

ILLEGIB d. Concessions. Federally controlled real property may be assigned on a concession basis for barber shops, retail stores, banks, cafeterias, child care centers and other commercial activities that provide services to Federal employees. Prior to making such assignments the head of the agency controlling the real property must determine that the service to be provided by the concession contributes to the welfare and morale of employees and that adequate

alternative facilities offering the same or similar services are not reasonably accessible to the employees. Concessionaires shall be required to pay fair rental value for the use of federally controlled real property. Concessions as used in this appendix are limited to activities providing services primarily to Federal employees convenient to the work site; this does not include concessions in national parks or other high visitor facilities that provide services primarily for the public.

✓ e. Labor organizations. Section 23, Executive Order 11491, as amended, Labor Management Relations in the Federal Service, provides that each agency shall issue appropriate policies with respect to the use of agency facilities by labor organizations. Accordingly, determinations as to occupancy or use of federally controlled real property by labor organizations and the terms and conditions relative thereto are governed by agency policies and are not subject to the provisions of this part. Agencies shall, however, maintain records of the space assigned to labor organizations as called for by Section 237.7c of this part. Space in GSA-controlled buildings will be assigned directly to agencies and subsequent assignments, if any, to labor organizations will be made by the respective agency head and not by GSA.

APPENDIX B

OTHER ORGANIZATIONS

1. Policy intent. In addition to organizations that provide services primarily to Federal employees, it is sometimes necessary and advantageous for an agency to assign real property to commercial firms or other organizations that provide services to the general public or to specific sectors thereof. The intent of this appendix is to prescribe policies pertaining to such assignments.

2. Policies and procedures. Federal agencies should not endeavor to assign real property to commercial and other organizations unless the assignment is in the Government's interest and is required to carry out an authorized program activity of the agency making the assignment.

3. Charges. When real property is assigned to commercial or other organizations, the organizations shall be required to pay for the property as provided for in Section 237.7b of this part unless specifically exempted by statute, this part or other regulations.

4. Specific organizations.

a. Veterans' service organizations. Pursuant to 38 U.S.C. 3402 the Administrator of Veterans Affairs may, in his discretion, furnish, if available, space and office facilities for the use of the American Red Cross and paid full time representatives of veterans' service organizations recognized by the Veterans Administration pursuant to its governing laws and regulations. Space provided to veteran service organizations will be without charge.

b. State and local governments. Federal real property that is not required for Federal programs and which cannot be disposed of, may be assigned to units of State or local governments. Such assignments shall be made at the discretion of the controlling agency and shall require the payment of fair charges. In determining the amount State and local governments shall be charged for the use of Federal real property, the controlling Federal agency shall take into

consideration any benefits which may accrue to the United States from such occupancy and appropriate adjustments may be made particularly where reciprocal agreements provide for Federal occupancy of State or local real property.

APPENDIX C

TEMPORARY USE

1. Policy intent. The intent of this appendix is to prescribe policy for the temporary use of Federal real property by non-Federal activities.

2. Definitions.

a. Temporary use. For purposes of this appendix, temporary use of Federal real property means use of the property for a period of 48 hours or less by a non-Federal activity during business or off duty hours either on a one time or intermittent basis.

b. Community service organizations. As used in this appendix community service organizations mean any non-profit group, organization or association that is organized and operated to serve the interest of the local community of which the Federal employee is a part. Examples of community service organizations include civic organizations, parent-teacher organizations, 4-H Clubs, scouting organizations, and community fund activities.

4. Temporary use by a non-Federal activity. Upon approval of the controlling agency, Federal real property such as conference rooms, hearing rooms, training rooms, auditoriums and cafeterias may be used by employees, community service, or similar type organizations for meetings or other purposes on a temporary basis. Generally, such use shall not be scheduled beyond normal building operating hours nor for Saturdays, Sundays, holidays or other times when the facility is normally closed, without appropriate reimbursement for services. Activities using Federal real property on a temporary basis shall pay the Government for costs (utilities, maintenance, protection, and other provided services) resulting from the activities' use of the property.

5. National voluntary action programs. Consistent with Executive Order 11470 real property may be used by volunteer organizations for meetings, training programs and similar purposes, when it will not interfere with the intended use of the facilities. Costs of utilities and other services provided by the Government should, to the maximum extent possible, be recovered.

Approved For Release 2001/05/03 : CIA-RDP84-00688R000200130007-4

SLUC CHARGES FOR AGENCY, NON-FEDERAL ACTIVITIES

Activity	Square Feet	Rate(\$)	Annual Charge(\$)	
A. GSI Cafeteria Services - Headquarters Ames	53,927 6,405	11.77 11.50	634,720 73,657	
B. Barber Shop	440	12.50	5,500	
C. Gym	- Fitness Room - Office - Shower - Change Room - Laundry and Water Heater Room	2,049 143 182 182 484	7.25 7.25 12.50 7.25 12.50	14,855 1,036 2,275 1,320 6,050
			25,536	
D. EAA	- Store - Ticket Sales Office - Storage - BD08 4C49 5F12	1,030 300 96 112 112	7.25 7.25 5.00 10.05 10.05	7,467 2,175 480 1,125 1,125
			12,372	
E. Insurance Branch	- Headquarters - Magazine - Room 404 - Room 402A	325 3,475 775	7.25 5.90 3.65	2,356 20,502 2,828
			25,686	
F. Snack Bars (excluding blind stands) (Headquarters, Magazine, COC, [REDACTED] South)	6,847	varies	78,775	

STATINTL

Attachment 2

000200130007-4
ATTACHMENT 2

7 January 1976

MEMORANDUM FOR: Chief, Benefits and Services Division

SUBJECT : Insurance Branch Space Requirements

The Insurance Branch will be moving to space in the Ames Building on a date not yet determined - possibly April 1976. Before a final decision is made identifying IB space in that building, I suggest that consideration be given to relocating all IB personnel presently located in the Magazine Building in one large vaulted area in the Ames Building.

Currently, most IB personnel working in the Magazine Building are required to stop working about ten minutes before five o'clock in order to gather up their work and place it in the IB vaulted file room for overnight storage. The following workday these same individuals must retrieve their work and take it to their work stations. This is unproductive time that would become productive time if Branch personnel could be moved into a vaulted area. Additional production time would be gained as less time would be required for Branch personnel to perform security check duties.

[REDACTED] ATINTL

Chief, Insurance Branch

*Concur. This is a production activity
and a vaulted area would contribute
both to efficiency and morale.
EJ*

11/10/75

Approved For Release 2001/05/03 : CIA-RDP84-00688R000200130007-4

Office of Federal Management Policy
Washington, DC 20405

FMS 75-2582

November 3, 1975

Dear Sir:

We would like to call your attention to the enclosed draft Federal Management Circular and to invite your comments and suggestions concerning it. We plan to publish the circular in the Federal Register for public review and comment within the next two weeks.

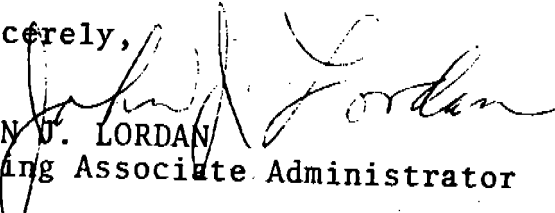
The draft circular was prepared by a task group composed of representatives from this agency, the Office of Management and Budget, and the Civil Service Commission. The group was formed in September of last year, largely in response to a GAO report (B-112840, March 18, 1974) which pointed out the lack of an effective government-wide policy on the assignment of federally controlled space to employee recreation and welfare associations. The GAO was also concerned about the inconsistency in agency practices of charging such groups for space and associated services.

In addition to employee associations, the proposed circular includes policies for assigning Federal real property to other types of non-Federal activities, such as concessionaires, community service groups, State and local governments, etc. The main body of the circular sets forth general policies and the attachments provide more detailed guidance for dealing with specific types of activities. Throughout the circular the task group tried to balance the need for a coherent government-wide approach with the equally important need for agency flexibility to respond to local requirements and circumstances.

In order to receive appropriate consideration before issuance of the final circular, your comments should be received by December 15, 1975. Comments should be addressed to:

Office of Federal Management Policy (AMP)
General Services Administration
Washington, DC 20405

Sincerely,


JOHN W. LORDAN
Acting Associate Administrator

Enclosure

Keep Freedom in Your Future With U.S. Savings Bonds

Approved For Release 2001/05/03 : CIA-RDP84-00688R000200130007-4

GENERAL SERVICES ADMINISTRATION

(34 CFR Part 237)

USE OF FEDERAL REAL PROPERTY BY
NON-FEDERAL ACTIVITIES

PROPOSED ASSIGNMENTS

This notice offers interested parties an opportunity to comment on a proposed regulation developed to provide better management of federally-controlled real property. The regulation proposes (1) to bring about greater consistency within individual agencies and among different agencies relative to the assignment of federally controlled real property to non-federal activities and (2) to provide policy guidelines for assessing fair charges for real property and related services furnished by the Government to non-Federal activities.

The proposed regulation is the product of an interagency task group. Its purpose is to establish executive branch policy pertaining to the assignment of federally controlled real property and the providing of related services to non-Federal activities.

Interested persons should submit their comments in triplicate to the General Services Administration (AMP), Washington, DC 20405. All relevant material should be received by December 15, 1975.

Dated: November ____, 1975

JOHN J. LORDAN
Acting Associate Administrator

This Federal Management Circular requires all Federal agencies to adopt standard administrative requirements for assigning federally controlled real property to non-Federal activities. Authority for issuance of the circular is provided under provisions of Executive Order 11717.

As proposed 34 CFR Part 237 will read as follows:

PART 237 - USE OF FEDERAL REAL PROPERTY BY NON-FEDERAL ACTIVITIES

Sec.

- 237.1 Purpose.
- 237.2 Effective date.
- 237.3 Background.
- 237.4 Policy intent.
- 237.5 Applicability and scope.
- 237.6 Definitions.
- 237.7 Policies and procedures.
- 237.8 Annual report.
- 237.9 Responsibilities.
- 237.10 Appendices.
- 237.11 Inquiries.

AUTHORITY: Executive Order 11717.

237.1 Purpose.

This part establishes executive branch policy pertaining to the assignment of federally controlled real property and the providing of related services to non-Federal activities.

237.2 Effective date.

This part is effective January 1, 1976. Contracts existing as of the effective date which provide for the assignment of federally controlled real property or the providing of related services to non-Federal activities shall be amended to the extent feasible to comply with the policies contained herein. Contracts entered into after the effective date shall incorporate the policies contained in the part.

237.3 Background.

Many non-Federal activities currently occupy federally-controlled real property. The real property (generally building space) is occupied under a variety of terms and conditions. This part recognizes the need for achieving

greater consistency within the executive branch regarding policy and practices for assigning federally-controlled real property to non-Federal activities. The part is issued pursuant to Executive Order 11717 of May 9, 1973, which transferred certain functions from the Office of Management and Budget to the General Services Administration and pursuant to the Office of Management and Budget, Office of Federal Procurement Policy delegation letter of June 24, 1975, 40 F.R. 29935, July 16, 1975.

237.4 Policy intent.

The intent of the part is to bring about greater consistency within individual agencies and among different agencies relative to the assignment of federally-controlled real property to non-Federal activities. The part is also intended to provide policy guidelines for assessing fair charges for real property and related services furnished by the Government to non-Federal activities.

237.5 Applicability and scope.

The provisions of the part apply to all executive departments and independent establishments in the executive branch. They do not apply to: (a) the Government of the District of Columbia; (b) non-appropriated fund instrumentalities of the Armed Forces; (c) the Veterans' Canteen Service, Veterans' Administration; or (d) other non-appropriated fund activities for which there is specific statutory authority for the matters covered by this part. Except as indicated herein, the term "agency" is synonymous with the terms "department and establishment" as defined by Federal Management Circular 73-1, dated August 30, 1973. (34 CFR Part 200)

237.6 Definitions.

a. Non-Federal activity. Any individual, group, organization or association that is organized, operated or controlled by a private individual(s) or an individual(s) acting outside his official capacity as an officer, employee or agent of the Federal Government.

b. Assignment of real property. The granting to a non-Federal activity of the right to use real property and related services controlled by a Federal agency. This does not include the interim outleasing of excess real property

being held by an agency pending transfer or disposition pursuant to Federal Management Circular 73-5, Utilization, disposition and acquisition of Federal real property. (34 CFR Part 231.)

c. Federally-controlled real property. Land or buildings, including space within buildings and related services owned, leased or provided by the Government. Related services include but are not limited to heat, light, air conditioning, janitorial, telephone and security services.

237.7 Policies and procedures.

a. Assignment of federally controlled real property to non-Federal activities. Heads of agencies may assign real property under their control to non-Federal activities if the assignments contribute to the accomplishment of the agencies' missions and are consistent with the public interest. Assignments authorized by law shall be made pursuant to the applicable statutes. Where real property is assigned to non-Federal activities in the absence of particular statutory authority, the head of the agency making the assignment shall prepare a written statement setting forth all factors pertaining to the assignment. Such written determination shall be retained for appropriate review in agency files and shall include the basis for making the assignment and the terms and conditions governing the use of the property. Policies applicable to specific categories of non-Federal activities are provided in appendices A through C of this part.

b. Charges for use of federally controlled real property. Consistent with the policies contained in Office of Management and Budget Circular A-25, non-Federal activities assigned federally controlled real property shall to the maximum extent feasible be charged for such use of real property. Charges for real property controlled by the General Services Administration (GSA) shall be based on the standard level users charges developed by GSA pursuant to P.L. 92-313, Public Buildings Amendments of 1972 (See Federal Property Management Regulations Subpart 101-21.2). Charges for real property for which standard level user charges have not been established and for real property controlled by agencies other than GSA shall be based on the

estimated fair rental value of the assigned property as determined by standard real property appraisal practices. Agencies not having "in-house" capability for determining fair rental values may request GSA assistance by telephoning 202-343-7528.

c. Agency records. Agencies shall maintain current records on all real property that they have assigned to non-Federal activities. The records shall as a minimum, include the written statements and determinations required by paragraph a. above. The records shall also reflect the total annual rental income produced on an agency-wide basis by assignments to non-Federal activities.

d. Deposit of revenue. Unless otherwise provided by law, revenues collected from non-Federal activities for the use of federally controlled real property shall be deposited in miscellaneous receipts in the Treasury.

237.8 Annual report.

Each agency that assigns real property to non-Federal activities shall submit an annual report, original and one copy, as of the end of each fiscal year. The reports shall be submitted to the General Services Administration (AMP), Washington, D.C. 20405. The first report shall be for the period beginning January 1, 1976, and ending September 30, 1976, and shall be submitted by January 1, 1977. Succeeding years reports shall be submitted within 90 days after the end of each fiscal year. Interagency Reports Control Number _____ GSA-AM has been assigned to this report. Agency annual reports shall indicate the total amount and type of real property assigned on an agency-wide basis to activities providing services to employees (see Appendix A) and to other organizations (see Appendix B) and the total income derived therefrom. The total amount of real property assigned to activities covered in Appendices A and B and the total annual income received from each shall be provided separately for each appendix and itemized to show:

- (1) Square feet of office space _____
and annual income _____;
- (2) Square feet of storage space _____
and annual income _____;
- (3) Square feet of special space _____
and annual income _____;

(4) Square feet of land _____
and annual income _____.

(Definitions of office, storage and special space are provided in Subsection 101-17.003.2a of the Federal Property Management Regulations.)

Copies of all annual reports will be given to the Office of Management and Budget after review by GSA.

237.9 Responsibilities.

Heads of agencies are responsible for promulgating such regulations, controls, and review actions as are necessary to comply fully with the provisions of this part and the appendices.

237.10 Appendices.

Policies governing the assignment of real property to specific types of non-Federal activities and the assessment of charges for the use of such property are set forth in the following appendices:

Appendix A - Activities Providing Services to Employees.

Appendix B - Other Organizations.

Appendix C - Temporary Use.

237.11 Inquiries.

Further information concerning this part may be obtained by contacting:

General Services Administration (AMP)
Washington, DC 20405
Telephone: IDS 183-7528
FTS 202-343-7528

ACTIVITIES PROVIDING SERVICES TO EMPLOYEES

1. Policy intent. The intent of this appendix is to provide specific policies to be followed by Federal agencies in assigning real property to non-Federal activities that provide services to Federal employees.
2. Definition. The activities covered by this appendix include those performed or directed by any individual, association, or organization that require the use of Federal real property and have as their primary purpose the rendering of goods or services to Federal employees.

3. Policies and procedures.

Also from student association fund

- a. Employee welfare and recreation associations. Federal agencies, as a rule, do not establish or administer welfare and recreational programs for their employees. However, they often lend encouragement to the voluntary efforts of employees who form associations for recreational and welfare purposes. This encouragement frequently takes the form of assigning Federal real property to the associations either on a temporary or long-term basis. Determinations regarding assignments to employee associations shall be made on a case-by-case basis by agency heads. Real property controlled by GSA will be assigned to the using agency. It is then up to the using agency to determine whether to assign any portion of the space to an employees' association. Determinations involving real property not controlled by GSA will be made by the head of the agency controlling the property. In making determinations regarding the use of real property by employee associations, heads of agencies shall consider: (1) the availability of the real property and the need to minimize non-essential assignments; (2) the purpose for which the employees association will use the property; and (3) the consistency of the association's mission with the mission of the agency and the association's overall contribution to the welfare and morale of the agency's work force.

* (1) Charges. Charges for the use of real property assigned to employee associations shall be assessed in accordance with Section 237.7b of this part. However, such charges may be waived where an association's use of

real property does not interfere with the Government's use and does not result in the Government incurring additional expenses.

(2) Agency overview responsibilities. While welfare and recreation associations are independent entities and are not subject to supervision by agency management, agencies are responsible for assuring that those activities utilizing Federal real property comply with non-discrimination, conflict of interest, equal employment opportunity and other appropriate standards and criteria prescribed by the Civil Service Commission or other agencies.

✓ b. Credit unions. The Federal Credit Union Act (12 U.S.C. 1770) provides that duly organized and constituted credit unions may occupy federally controlled space if such space is available in the community or district where the credit union does business. The act states that an agency may in "its discretion allot space to such credit union if space is available, without charge for rent or services."

ILLEGIB
c. Blind vending facilities. The Randolph-Sheppard Act, as amended, 20 U.S.C. 107 et. seq., provides that, whenever feasible, one or more vending facilities are to be established on Federal real property to the extent that such facilities will not adversely affect the interests of the United States. Under the provisions of the Randolph-Sheppard Act, blind vending facilities are to be given priority with respect to the use of Federal real property over all other vendors. Vending facilities are defined in the Act to include automatic vending machines, cafeterias, snack bars, cart service, shelters and counters. Blind vendors shall not be charged for Government space. Charges may be assessed, however, for utilities and other services provided by the assigning agency.

d. Concessions. Federally controlled real property may be assigned on a concession basis for barber shops, retail stores, banks, cafeterias, child care centers and other commercial activities that provide services to Federal employees. Prior to making such assignments the head of the agency controlling the real property must determine that the service to be provided by the concession contributes to the welfare and morale of employees and that adequate

alternative facilities offering the same or similar services are not reasonably accessible to the employees. Concessionaires shall be required to pay fair rental value for the use of federally controlled real property. Concessions as used in this appendix are limited to activities providing services primarily to Federal employees convenient to the work site; this does not include concessions in national parks or other high visitor facilities that provide services primarily for the public.

✓ e. Labor organizations. Section 23, Executive Order 11491, as amended, Labor Management Relations in the Federal Service, provides that each agency shall issue appropriate policies with respect to the use of agency facilities by labor organizations. Accordingly, determinations as to occupancy or use of federally controlled real property by labor organizations and the terms and conditions relative thereto are governed by agency policies and are not subject to the provisions of this part. Agencies shall, however, maintain records of the space assigned to labor organizations as called for by Section 237.7c of this part. Space in GSA-controlled buildings will be assigned directly to agencies and subsequent assignments, if any, to labor organizations will be made by the respective agency head and not by GSA.

APPENDIX B

OTHER ORGANIZATIONS

1. Policy intent. In addition to organizations that provide services primarily to Federal employees, it is sometimes necessary and advantageous for an agency to assign real property to commercial firms or other organizations that provide services to the general public or to specific sectors thereof. The intent of this appendix is to prescribe policies pertaining to such assignments.

2. Policies and procedures. Federal agencies should not endeavor to assign real property to commercial and other organizations unless the assignment is in the Government's interest and is required to carry out an authorized program activity of the agency making the assignment.

*Value App.
CSE
CSP*
3. Charges. When real property is assigned to commercial or other organizations, the organizations shall be required to pay for the property as provided for in Section 237.7b of this part unless specifically exempted by statute, this part or other regulations.

4. Specific organizations.

a. Veterans' service organizations. Pursuant to 38 U.S.C. 3402 the Administrator of Veterans Affairs may, in his discretion, furnish, if available, space and office facilities for the use of the American Red Cross and paid full time representatives of veterans' service organizations recognized by the Veterans Administration pursuant to its governing laws and regulations. Space provided to veteran service organizations will be without charge.

b. State and local governments. Federal real property that is not required for Federal programs and which cannot be disposed of, may be assigned to units of State or local governments. Such assignments shall be made at the discretion of the controlling agency and shall require the payment of fair charges. In determining the amount State and local governments shall be charged for the use of Federal real property, the controlling Federal agency shall take into

consideration any benefits which may accrue to the United States from such occupancy and appropriate adjustments may be made particularly where reciprocal agreements provide for Federal occupancy of State or local real property.

APPENDIX C

TEMPORARY USE

1. Policy intent. The intent of this appendix is to prescribe policy for the temporary use of Federal real property by non-Federal activities.

2. Definitions.

a. Temporary use. For purposes of this appendix, temporary use of Federal real property means use of the property for a period of 48 hours or less by a non-Federal activity during business or off duty hours either on a one time or intermittent basis.

b. Community service organizations. As used in this appendix community service organizations mean any non-profit group, organization or association that is organized and operated to serve the interest of the local community of which the Federal employee is a part. Examples of community service organizations include civic organizations, parent-teacher organizations, 4-H Clubs, scouting organizations, and community fund activities.

4. Temporary use by a non-Federal activity. Upon approval of the controlling agency, Federal real property such as conference rooms, hearing rooms, training rooms, auditoriums and cafeterias may be used by employees, community service, or similar type organizations for meetings or other purposes on a temporary basis. Generally, such use shall not be scheduled beyond normal building operating hours nor for Saturdays, Sundays, holidays or other times when the facility is normally closed, without appropriate reimbursement for services. Activities using Federal real property on a temporary basis shall pay the Government for costs (utilities, maintenance, protection, and other provided services) resulting from the activities' use of the property.

5. National voluntary action programs. Consistent with Executive Order 11470 real property may be used by volunteer organizations for meetings, training programs and similar purposes, when it will not interfere with the intended use of the facilities. Costs of utilities and other services provided by the Government should, to the maximum extent possible, be recovered.

15 April 1976

MEMORANDUM FOR: Chief, Benefits and Services Division

STATINTL FROM : [REDACTED]
Chief, Incentive Awards Branch

SUBJECT : Advantages in Keeping the Incentive
Awards Staff in Headquarters

1. The relocation of the Incentive Awards Branch in Headquarters Building since 3 June 1974 improved the overall efficiency of operations. Much of the Branch activities require direct contact with suggesters, evaluators, Committee Members and Program Coordinators and especially members of the DDO Special Panel and their staffs. (Thirty-six officers, plus 86 additional supervisory-level officers who serve as evaluators.) The great majority of the above individuals are located within Headquarters. Relocation of the Branch in Rosslyn would necessitate traveling to Headquarters almost on a daily basis, with the resultant waste of time in travel. In the 23 months we have been in Headquarters, it is a proven fact that our easy accessibility has reduced evaluation time and accelerated the resolution of cases, resulting in improved morale of suggester's due to the speeded up resolution of their ideas.

2. All DDO Special Panel Meetings and Suggestion and Achievement Awards Committee Meetings are held within Headquarters. The preparation for these meetings often requires contact with the chairman and many members in advance of the meetings.

3. The Special Achievement and Exceptional Accomplishment Awards portion of the Program has increased our overall workload. Because of the newness of the Program, most division, office or staff personnel preparing a nomination wish to sit down with us during the early preparation stages of the nomination to discuss the awards and what is needed in the nomination to strengthen and substantiate their recommendation. In many cases, when the recommendation is received, we must obtain additional information

ADMINISTRATIVE
INTERNAL USE ONLY

which we have been discussing directly with the recommendation initiator to speed up the resolution of the recommendation. The majority (55%) of SA's and EA's received to date have been handled by the DDO Special Panel.

4. At the present time, we are endeavoring to have our operations computerized. Our easy accessibility to the programmer (located in Headquarters) and being able to pick up our computer runs from the computer center are advantageous. If we run into problems with the program with us located in Headquarters, the problems can be solved quickly between our office and the programmer. The DDO particularly has much interest in getting access to past operational and technical cases which we have on file. If the computer system is to be effective, we must be able to save time and respond to requirements in a timely manner. However, if we are located outside the Headquarters Building and must wait to receive the machine runs through the mail system to respond to requirements, all advantages of improved efficiency are lost.

5. In conclusion, because we are a service-oriented program, we should be in an easily accessible location so suggesters and inventors can come in, sit down and discuss their ideas; also, so that representatives of nominating offices can conveniently seek guidance relative to submission of achievement and accomplishment award recommendations.

 STATINTL

ADMINISTRATIVE
INTERNAL USE ONLY

18 DEC 1972

MEMORANDUM FOR: Chief, Logistics Services Division, Office of Logistics

SUBJECT : Request for Additional Work Space for Insurance Branch, Office of Personnel

1. A steady increase in the number of daily health insurance claims has necessitated the expansion of the number of personnel assigned to the Claims Section of the Insurance Branch. It is anticipated that the number of claims received will continue to increase and that additional claims adjusters may be needed at some future date.

2. The present space occupied by the Claims Section (Room 402 Magazine Building) is 1,070 square feet for 15 employees, or 71.3 square feet per employee. This includes space for the Claims Section Supervisor, Claims Section Chief, and a Claims Receptionist who is responsible for servicing all "walk-in" Agency personnel located in the Rosslyn area. Twelve of the claims personnel work in a room of 760 square feet that is literally filled with necessary office furniture. This area cannot possibly accommodate another work station. The lack of working space forces one claims adjuster to move from one desk to another on a daily basis, utilizing work areas temporarily vacated by employees on annual or sick leave.

3. Based on the above, it is requested that additional space, approximately 200 square feet, or enough for three work stations, be provided to alleviate a current adverse working environment.

BEWELL

DEC 18 2 55 PM '72

BECH

Executive Assistant
Office of Personnel

STATINTL

Distribution:

0 & 1 - Addressee 1 - D/Pers Chrono

Approved for Release 2001/05/03 : CIA-RDP84-00688R000130007-4

STATINTL

dm (15 Dec 72)

ADMINISTRATIVE — INTERNAL USE ONLY

71-1346

12 April 1971

MEMORANDUM TO: Chief, Support

STATINTL FROM:

[REDACTED]

SUBJECT: Insurance Branch

Medical problems are at a minimum a personal thing, and female medical problems are not something that most females enjoy discussing for an audience.

I very much resent the physical layout of the insurance branch which necessitates the discussion of personal medical claims with everyone else in line (for my particular case, all male) and the whole section within easy listening distance -- as a matter of fact there is no way they can help overhearing.

I should think that this building is large enough to give the woman in charge of medical claims an office where these matters can be discussed in private.

Medical problems are bad enough without having ~~STATINTL~~ embarrassed by this forced intrusion on your privacy.

[REDACTED]

Approved For Release 2001/05/03 : CIA-RDP84-00688R000200130007

21

1/27

1/29

1/33

Approved For Release 2001/05/03 : CIA-RDP84-00688R000200130007-4

UNCLASSIFIED CONFIDENTIAL SECRET

OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
1	Office of Personnel	STATINTL	
2	Attn Mr. [REDACTED]	1 APR 1971	
3			
4			
5	Look good to me -		
6	C/BS [REDACTED]		

ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks: STA INTL Ben - In discussing this problem with [REDACTED] of LSD, he suggests that a part-height partition could be put on the line washed in Red in a matter of a day or two. It seems to me that this would be an improvement, although not a perfect solution. If you agree, return to me and I'll ask him to go ahead with it.

4/24/71 - Approved by J/Pers -

FOLD HERE TO RETURN TO SENDER	
FROM: NAME, ADDRESS AND PHONE NO.	DATE
Eto - DD/S [REDACTED]	4/14/71

1 SEP 1970

MEMORANDUM FOR THE RECORD

STATINTL

STATINTL

1. [REDACTED] Office of Logistics, called [REDACTED] about 4:30 p.m. this afternoon and wanted some help in answering a query he had received by phone.

2. A Mr. Martin Kurta, President of the Kent State Student's Medical Fund, had called as a result of a referral from the Bureau of Public Roads inquiring as to whether or not the ball field area could be used for parking cars in connection with a fund raising activity. Mrs. Robert Kennedy is allowing the students of Kent State College to have the fund raising program on their estate on Wednesday, 9 September 1970. In anticipating an overflow crowd, it is the committee's plan to run shuttle buses from this parking area to the Kennedy estate. They will need the use of the grounds from approximately 5:30 to 9 p.m.

3. I advised Mr. Kurta that a parking area was there separated from the actual ball fields. I told him that I would call him tomorrow regarding this matter.

[REDACTED]
DC/BSD

STATINTL

ADMINISTRATIVE -- INTERNAL USE ONLY

76-3343

6 AUG 1970

MEMORANDUM FOR: Director of Personnel

ATTENTION : Chief, Benefits and Services Division

THROUGH : Deputy Director for Support

SUBJECT : Space for Combined Federal Campaign

REFERENCE : Memo dtd 8 Jul 70 to C/LSD/OL fm C/BSD/OP;
same subject

1. In response to the reference request for suitable space to house personnel assigned to work on the Combined Federal Campaign Program from 1 September 1970 through 1 February 1971, it is advised that the 1,128 sq. ft. of office space located in GE-0444, Headquarters Building (the Inlow space), will be made available on a temporary basis for the period indicated.

2. GE-0444 is currently furnished with safe files and other items of office furniture which should be sufficient for the 14 people assigned to work on the subject program. However, should you need additional office furnishings, please contact the Logistics Services Division, OL on extension 7808.

STATINTL

John F. Blake
Director of Logistics

Att:

Ref

STATINTL CONCURRENCE:

R. L. Bannerman
Deputy Director
for Support

11 Aug 70
Date

ADMINISTRATIVE -- INTERNAL USE ONLY

ADMINISTRATIVE
INTERNAL USE ONLY

8 JUL 1970

MEMORANDUM FOR: Chief, Logistics Services Division

SUBJECT: Space for Combined Federal Campaign

1. The annual Combined Federal Campaign will commence in September and will run for six or seven weeks.

2. Since large amounts of money will be received, twelve additional people will be required to assist in this function. They must be in an area where they can be with the supervisor. It is therefore requested that you do what you can to obtain suitable space for fourteen people for the period 1 September 1970 through 1 February 1971. This space should be in the Headquarters Building.

INTL

Chief, Benefits and Services Division

ADMINISTRATIVE

INTERNAL USE ONLY

OK 0 10, 119